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Proposed Counsel for the Debtor in Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re

Case No.: BK-S-10-27855-MKN

AMERICAN PACIFIC FINANCIAL
CORPORATION,

Chapter 11

Debtor.

**DECLARATION OF LARRY POLHILL
IN SUPPORT OF APPLICATION FOR
AN ORDER AUTHORIZING DEBTOR
IN POSSESSION TO OBTAIN POST-
PETITION FINANCING ON
UNSECURED BASIS**

I, Larry Polhill, declare as follows:

1. I am the president of American Pacific Financial Corporation ("APFC") ("Debtor"). I am more than 18 years old and am competent to swear to or affirm the matters below based on my personal knowledge.

2. I make this Declaration in support of the Application for an Order Authorizing Debtor in Possession to Obtain Post-Petition Financing on Unsecured Basis (the "Application") which is being filed concurrently herewith.

3. Debtor is unable to pay for the administration of its Chapter 11 Bankruptcy Case.

4. Debtor is unable to procure financing from any other source, as such, the only available credit is from American Pacific Management Corporation ("APMC"), in the form of unsecured credit allowable under section 364(c)(1) and 503(b)(1) of the Bankruptcy Code as an

1 administrative, super-priority expense.

2 5. Debtor is unable to obtain the financing on terms competitive with, let alone
3 more favorable than, the financing currently offered by APMC.

4 I declare under penalty of perjury that the foregoing is true and correct.

5 Executed this 2nd day of November, 2010.

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7 By: /s/ Larry Polhill

Larry Polhill

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